

PSC NEWS Missouri Public Service Commission

Contact: Kevin Kelly Phone: (573) 751-9300 Governor Office Building, Suite 600

FY-07-20

FOR IMMEDIATE RELEASE

AUGUST 11, 2006

AmerenUE To Pay Penalty In Case Involving Boonville Natural Gas Incident

JEFFERSON CITY—Union Electric Company d/b/a AmerenUE will pay a \$2,000 penalty and implement new procedures under an agreement approved by the Public Service Commission. The vote was 4-1.

The agreement resolves issues in a complaint case brought against AmerenUE by the PSC Staff. The complaint, filed on March 10, 2006, alleged AmerenUE violated Commission rules in connection with a natural gas incident in Boonville on October 10, 2005 that resulted in natural gas leaks and higher than normal flames according to a PSC Staff report.

In the March 10, 2006 report, the PSC Staff stated the incident occurred when high-pressure natural gas was unintentionally allowed into a low-pressure main. According to the report, a natural gas valve was opened to allow high-pressure natural gas to enter the main and service lines in the 1200 block of 6^{th} Street. Staff stated this resulted in an unintended flow of natural gas from the high-pressure system into the low-pressure system, causing over-pressurization to occur.

Seven residences and the local fire station received varying levels of fire and smoke damage and a number of other customers received over-pressure damage to natural gas equipment. AmerenUE had to restore service to approximately 1,200 customers.

AmerenUE will pay a \$2,000 penalty to the public school fund of the state under the terms of the agreement approved by the Commission. In addition, AmerenUE will implement a new procedure to be followed in any future low-pressure to high-pressure system conversions in Missouri. AmerenUE will also submit a schedule for certain upgrades to the PSC Staff, giving the Staff the opportunity to monitor those upgrades.